

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)

Federal State Joint Board on)
Universal Service)

CC Docket No. 96-45

COMMENTS OF SPRINT CORPORATION

Sprint Corporation, on behalf of its wireless, incumbent local telephone, competitive local telephone and long distance operations, submits these comments in response to Petitions for Reconsideration filed June 24, 2005. Those petitions were filed with regard to the Commission's *Report and Order* in CC Docket 96-45 setting forth minimum eligible telecommunications carrier (ETC) criteria to determine an applicant's eligibility to receive federal universal service support.¹ Sprint's local telephone companies serve as incumbent eligible telecommunications carriers ("I-ETCs") in each of the eighteen states in which they operate. Sprint's wireless operations also serve as competitive eligible telecommunications carriers ("C-ETCs") in eighteen additional states, plus Puerto Rico. Accordingly, Sprint understands and appreciates the positions of all parties to this issue.

In these comments Sprint lends its support for a specific request for clarification made by CTIA-The Wireless Association ("CTIA") in its petition for reconsideration filed June 24, 2005 ("CTIA Petition"). On pages 8-9 of that petition, CTIA explains that the ETC Designation Order has the *de facto* effect of narrowing the purposes for which

¹ *Federal State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 20 FCC Rcd 6371 (2005) ("*ETC Designation Order*").

universal service dollars may be used. The ETC Designation Order requires that ETCs submit five-year plans explaining how the universal service support they receive "...was used to improve signal quality, coverage, or capacity."² However, as CTIA correctly points out in its petition, the Communications Act of 1934, as amended, does not require that support dollars be used only for these purposes. Rather, the Act explicitly allows universal service support to be used "...not only for the build-out and expansion of a network, but also for its continued maintenance."³ CTIA requests that the Commission clarify that *maintenance* of existing networks is a sufficient basis for retaining ETC status.

As both an incumbent and a competitive ETC that has used (and continues to use) federal universal service support for both *expansion* and *maintenance* of its wireless and wireline networks, Sprint strongly supports this request for clarification. To the extent that ETCs are required to file the five-year plans discussed in the ETC Designation Order, there is no basis in the statute to require that those plans be confined to improvements in the network. The Commission instead should conform the reports to the statute and allow the ETCs to show how federal universal service support dollars are to be used for the provision and maintenance of the network as well.

This clarification is needed not only for companies designated ETCs by the Commission, but because the Commission's action—this "narrowing" of purposes for which universal service support may be used—has filtered down to individual states. In the *ETC Designation Order*, the Commission encouraged states to require all ETC applicants to meet the conditions outlined in that order, and "to impose the annual

² *ETC Designation Order*, paragraph 69.

³ CTIA Petition pages 8-9. See § 254(e), which states, in relevant part: "A carrier that receives such support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."

certification and reporting requirements uniformly on all ETCs they have previously designated.”⁴ Those requirements include the aforementioned five-year plan. As individual state commissions have taken up this issue in their own proceedings, Sprint has been witness to various levels of confusion regarding whether existing ETCs (including ILECs as well as wireless carriers)—which to this point have been justified in using federal support to *maintain* their networks—must now narrow the use of that support and use it only for expanding their networks or increasing signal quality.⁵ Clarification on this issue—as requested by CTIA and supported by Sprint—would conform to the statute and provide much needed guidance to states on a going-forward basis.

Respectfully submitted,

SPRINT CORPORATION

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August 4, 2005

⁴ ETC Designation Order paragraph 58.

⁵ A few of the state proceedings that Sprint has been party to regarding the ETC Designation Order include Washington Utilities & Transportation Commission Docket No. UT-053021, Nebraska Public Service Commission Docket C-3415, and Minnesota Public Utilities Commission Docket No. P-999/M-05-741. In all of these states, Sprint is a wireline incumbent ETC. In Washington, Sprint is also a wireless competitive ETC.

CERTIFICATE OF SERVICE

I hereby certify that copies of Sprint Corporation's Comments in CC Docket 96-45 were sent by electronic filing on this the 4th day of August, 2005 to the following parties.


Christine Jackson

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